

PART 2A OF FORM ADV: FIRM BROCHURE

Koin Capital Inc

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This brochure provides information about the qualifications and business practices of Koin Capital Inc. If you have any questions about the contents of this brochure, please contact us at (517) 775-9786 and/or ryan@koinera.io. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Koin Capital Inc also is available on the SEC’s website at www.adviserinfo.sec.gov.

Koin Capital Inc is registered as an investment adviser with the SEC. Such registration does not imply a certain level of skill or training.

Item 2. Material Changes

Not applicable.

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Item 4. Advisory Business

Koin Capital Inc (“Koin”, the “Firm”, “we”, “us”, “our”), a Delaware corporation, is an investment advisory services firm registered with the Securities and Exchange Commission (the “SEC”). Koin was formed in October 2020, and is owned by Jiyu Ding, Hang Xu, and Yang Zhang, each of which owns 69.98%, 25.00%, and 5.02%, respectively, of the outstanding shares of the Firm.

Currently, Koin only provides non-discretionary investment recommendations and advisory services to retail investors exclusively through an investment services technology platform offered only through a mobile application (the “App Platform”). The App Platform provides individual investors with a simple and cost-effective way to invest in the United States and international equity, exchange-traded funds, and other securities by using the App Platform. Currently, the App Platform provides our client with the access to invest in securities in both U.S. and international markets.

All investment activities and recommendations are provided directly by Koin via the App Platform. Koin does not actively manage client accounts and Koin’s clients execute trades at their own will. In addition, Koin interacts with investment advisory clients, as well as prospective clients, solely through the App Platform. Koin also utilizes the App Platform to collect information of each client and prospective clients, to deliver account notifications and content, and to provide ongoing investment recommendations. Koin does not offer financial planning services, tax, accounting, or legal advice.

Koin is a technology company. Koin incorporates computer-based technology to make investment recommendations primarily through the use of algorithms. Koin owns and maintains the App Platform. Koin’s clients receive investment recommendations generated by Koin’s proprietary artificial intelligence (AI) algorithm solely through the App Platform. By utilizing Koin’s proprietary AI algorithm, the App Platform proposes to each client a base portfolio for investment and recommends ongoing investment opportunities as an additional subscription service.

The App Platform contains an optional base portfolio proposal process, during which, each client will be requested to complete a questionnaire on certain client information. Based on the investment interests and other information provided by each client in such questionnaire, the App Platform, by utilizing Koin’s AI algorithm, will recommend each client with a proposed base portfolio selected from the various securities. While the App Platform provides such proposed base portfolio recommendations, the client has the sole discretion to make the ultimate decision regarding the securities investment and is not obligated to invest in any proposed portfolio. In addition, clients are allowed to skip such base portfolio proposal process.

Based on the market conditions and the performances of the securities, Koin provides clients with ongoing investment opportunity suggestions generated by Koin’s proprietary AI algorithm via the App Platform. The investment opportunities will be delivered to the client over the internet via the App Platform. The App Platform will show a predicted price movement, risk score, and financial data for each security suggestion.

Through the utilization of Koin's proprietary AI algorithm, Koin also provides price prediction services to all clients as a basic service on the App Platform. Such price prediction services will allow the clients to get price movement prediction information, which may be used by each client as a reference for the client to make his or her own investment decision.

The investment recommendations on securities and price prediction results are solely generated by Koin's AI algorithm and are solely provided to Koin's clients through the App Platform. While the App Platform provides investment recommendations and price prediction services, Koin's clients make the ultimate investment decision at their sole discretion.

Each client is responsible for ultimately deciding whether to accept the suggested investment recommendations and price prediction information, and whether to make any investment. Clients also can search for securities within the App Platform that have not been recommended and decide whether to purchase those securities.

Upon account opening ("Client Onboarding"), the client will be prompted to complete a series of compliance questions that are required by the SEC and execution broker to open an account for the client. During the Client Onboarding process, the client will also be prompted to simultaneously open a brokerage account held by the designated custodian to execute any trades. The independent custodian will hold client funds and securities.

Client Onboarding is only completed once a client (i) has linked the client's bank account to the Firm's custodian via the App Platform, and (ii) has accepted and countersigned Koin's investment advisory agreement electronically. Only when Client Onboarding is completed, will a client have the availability to purchase securities via our App Platform.

Item 5. Fees and Compensation

In order for clients to access the App platform or its related features, we charge a flat monthly fee of \$4.99 for basic subscriptions (which provide basic functions of Koin's AI algorithm) or \$9.99 for premium subscriptions (which provide full functions of Koin's AI algorithm). A one-month free trial may be offered.

There are no sales loads, brokerage fees, mark-ups, mark-downs, spreads paid to market makers, or brokerage termination or account surrender fees associated with our program. A client may, however, incur certain separate charges imposed by the custodian such as: wire transfer and electronic fund fees, retirement account custodial or account termination fees, in addition to certain taxes on non- retirement brokerage accounts.

Item 6. Performance-Based Fees and Side-By-Side Management

Koin does not charge performance-based fees. Koin's fees are not charged on basis of sharing capital gains on or capital appreciation of investors' accounts.

Item 7. Types of Clients

Currently, Koin provides investment advice only to individuals. Currently, there is no minimum amount required to open and maintain a Koin's account.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

We currently only provide non-discretionary investment recommendations and advisory services to retail investors exclusively through an investment services technology platform offered only through a mobile application, i.e., the App Platform. We interact with investment advisory clients, as well as prospective clients, solely through the App Platform. We use the App Platform to collect information of each client and prospective clients, to deliver account notifications and content, and to provide ongoing investment recommendations. We do not interact with clients in person, over the phone, in live chat, or in any other manner.

We incorporate computer-based technology to make investment recommendations primarily through the use of algorithms. Our clients receive investment recommendations generated by our proprietary artificial intelligence (AI) algorithm solely through the App Platform. By utilizing our proprietary AI algorithm, the App Platform will propose to the clients a base portfolio for investment based upon client information and recommend ongoing investment opportunities as an additional subscription service.

The App Platform contains an optional base portfolio proposal process, during which, each client will be requested to complete a questionnaire on certain client information. Based on the investment interests and other information provided by each client in such questionnaire, the App Platform, by utilizing our AI algorithm, will recommend each client with a proposed base portfolio selected from the various securities. While the App Platform provides such proposed base portfolio recommendations, the client has the sole discretion to make the ultimate decision regarding the securities investment and is not obligated to invest in any proposed portfolio. In addition, clients are allowed to skip such base portfolio proposal process.

Based on the market conditions and the performance of the securities, we provide clients with ongoing investment opportunity suggestions generated by our proprietary AI algorithm via the App Platform. The investment opportunities will be delivered to the client over the internet via the App Platform. The App Platform will show a predicted price movement, risk score, and financial data for each security suggestion.

Clients are requested to provide information, which in combination with other available client information collected through the App Platform, guides our App Platform in making a recommendation for that particular investor. The accuracy of the data provided by the client is important to their investment recommendation. We do not verify the information received from the client. We are expressly authorized to rely on information provided by the client when making investment recommendations.

Our App Platform will also provide price prediction services to all clients as a basic service on the App Platform. Such price prediction services will allow the clients to get price movement prediction information which may be used by each client as a reference for the client to make his or her own investment decision.

The investment recommendations on securities and price prediction results are solely generated by our AI algorithm and are solely provided to the clients through the App Platform. While the App Platform provides investment recommendations and price prediction services, our clients make the ultimate investment decision at their sole discretion.

We do not actively manage client accounts and our clients execute trades at their own will. Investors will only be provided with a recommendation that they either accept or reject. Clients also can search for securities within the App Platform that have not been recommended and decide whether to purchase those securities. Clients are solely responsible for all investment decisions and trades.

Our investment recommendation(s) is/are limited to account(s) of clients maintained on our App Platform and do not take into consideration client accounts held outside of us. We do not consider a client's personal tax situation when making stock recommendations. Clients should consult with their own tax advisor when considering investing for their own account. Clients are also advised that investing in securities involves risk of loss that they should be prepared to bear.

B. Risk of Loss

Any investment in securities involves the possibility of financial loss that clients should be prepared to bear. There can be no assurance that clients would be able to achieve their investment goals or avoid substantial losses through the use of our App Platform. The following is a brief summary of certain material risks associated with our investment strategy:

- *Limited Nature and Scope of the Service.* We do not provide comprehensive financial or tax planning or legal advice. Clients should seek the advice and counsel of their own tax, financial, and legal advisers. Koin only provides stock recommendations to individual investors. We do not provide investment advice to IRA or tax-exempt investors. We are not responsible for withholding any tax penalties that may apply to our clients or for any state or federal income tax withholding, except as may otherwise be required by applicable law. Koin's recommendations are limited based on the information clients provide through the App Platform, the limitations of which are further discussed above. Clients should take into consideration the limited nature of the service in evaluating the recommendations provided through the App Platform. Furthermore, the service: (a) is not a complete investment service; (b) does not account for multiple investment goals; (c) does not consider outside assets, concentration, debt, or other accounts a client may have with any third party; (d) offers a limited number of investments; (e) may not be suitable for all investors; and (f) relies on the information provided by clients in providing investment advice and does not verify the completeness or accuracy of such information. There could be one or more products available in the investment community that are more appropriate than the investment products made available through the App Platform. Given the inherent limitations of the service, clients should carefully consider whether our service is the right investment solution for their savings and investing needs.

- *Use of Algorithms.* Koin incorporates computer-based technology to make investment recommendations primarily through the use of algorithms. Changes to the algorithmic code could have material effects on a client's stock recommendations. Koin's algorithms may not perform as intended for a variety of reasons, including but not limited to incorrect assumptions, changes in the market, and/or changes to data inputs. Koin may modify periodically these algorithms, or a computer system's code or underlying assumptions, and these changes may have unintended consequences. Additional information regarding relevant considerations for clients considering an automated digital investment advisory program (sometimes referred to as a "robo advisor") is contained in the Investor Bulletin from the Securities and Exchange Commission available at https://www.sec.gov/oiea/investor-alerts-bulletins/ib_robo-advisers.html.

- *Cybersecurity Risk.* The information and technology systems of Koin, as well as of key service providers, including third-party vendors, central agents, exchanges, clearing houses, and other financial institutions (including the custodian), are vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Koin and client accounts could be adversely impacted if any of the aforementioned parties is the subject of a cyber-attack or other information security event. Although Koin has implemented various measures designed to seek to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for Koin or a service provider to make a significant investment to fix or replace them and to seek to remedy the effect of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Koin's ability to transact business on behalf of its clients and could result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information. While many investment advisers are subject to the same or similar risks in respect of their operations, these risks are particularly acute with respect to Koin due to Koin's fundamental dependence on technology.

- *Limited Nature of the Recommendations.* The use of algorithms carries the risk that changes to the algorithm's code may not have the desired effect with respect to a client's account. While this risk increases if changes to an algorithm are insufficiently tested prior to implementation, even extensively tested changes may not produce the desired effect over time. The App Platform relies on a limited universe of inputs to generate a stock recommendation for each client from a limited universe of possible outputs. In particular, the App Platform currently generates suggested stock purchases based on a client's response to questions provided by the client through the App Platform. Koin does not verify the completeness or accuracy of such information or consider any information regarding outside assets, concentration, debt, or other accounts a client may have with any third party. The functionality of the App Platform is partly dependent upon information provided by the third-party custodian, and other external sources, meaning that performance of the App Platform could be impacted by issues with the delivery or the accuracy of the information provided.

- *Risk of Loss.* We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. You need to understand that recommendations made for your

account by us are subject to various market, currency, economic, political and business risks. Despite our best efforts, the investment recommendations we make for you will not always be profitable nor can we guarantee any level of performance. Koin does not represent, warrant, or imply that the services or methods of analysis used can or will predict future results, successfully identify market tops or bottoms, or insulate clients from major losses due to market corrections or crashes. No guarantees are offered that clients' goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Koin will provide a better return than other investment strategies. Investments in securities and other financial instruments involve risk of loss that investors must be prepared to bear.

- *Reliance on Client Information.* The recommendations provided by Koin are not intended to comprise any client's complete investment program because Koin is not necessarily aware of the client's aggregate investible and invested assets and does not manage the client's accounts and assets on a discretionary basis. Koin's recommendations are highly reliant on the accuracy of the information provided to Koin by its clients. If a client were to provide Koin with inaccurate information, this could materially impact the quality and applicability of Koin's recommendations. In addition, Koin's recommendations are limited in scope to the questions Koin's asks through its website and the information that clients provide to Koin. There may be additional information or other financial circumstances not considered by Koin based on the questions asked at the time a client establishes their investment goals that would inform the investment advice and recommendations provided by Koin.

- *Advisory Risk.* There is no guarantee that Koin's judgment or investment recommendations about particular portfolios will necessarily produce the intended results. Koin's judgment may prove to be incorrect, and a client might not achieve his or her investment objectives. Koin may also make future changes to the investing algorithms and advisory services that it provides. In addition, it is possible that clients or Koin itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Koin's software based financial advisory service. Koin and its representatives are not responsible to any client for losses unless caused by Koin breaching its fiduciary duty.

- *Volatility and Correlation Risk.* Clients should be aware that Koin's asset selection process is based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions which may adversely affect a client, and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

- *Credit Risk.* Koin cannot control and clients are exposed to the risk that financial intermediaries or security issuers may experience adverse economic consequences that may include impaired credit ratings, default, bankruptcy or insolvency, any of which may affect portfolio values or management. This risk applies to assets on deposit with any broker utilized by a client. In addition, exchange trading venues or trade settlement and clearing intermediaries could experience adverse events that may temporarily or permanently limit trading or adversely affect the value of

client securities. Finally, any issuer of securities may experience a credit event that could impair or erase the value of the issuer's securities held by a client.

- *Market Risk.* Performance of client portfolios are likely to be exposed to risks relating to weaknesses in various global economies and risks relating to economic cycles. A multitude factors might lead to declines in the value of such investments, which may include, without limitation, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, social events or natural disasters.

- *Investment Strategy and Method of Analysis Material Risks.* We cannot guarantee that an investment objective or planning goal will be achieved. As an investor, each client must be able to bear the risk of loss that is associated with their account, which may include the loss of some, or all principal invested.

- *Regulatory Changes.* It is possible that changes in applicable laws and regulations may affect Koin's operations. The consequences of additional regulation on the liquidity of markets and the functioning of the service (and, possibly, on Koin itself) cannot be predicted and may materially affect the investment advisory services offered by Koin.

Item 9. Disciplinary Information

We do not have any legal, financial, regulatory, or other "disciplinary" item to report to clients. This statement applies to both Koin and to its employees.

Item 10. Other Financial Industry Activities and Affiliations

At this time, neither Koin nor any of our management persons is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO") or commodity trading advisor ("CTA"). In addition, neither Koin nor any of our management persons is an associated person of an FCM, a CPO or CTA.

Koin does not recommend or select other investment advisers for our clients. Koin does not have any material relationships to our advisory business that would present a possible conflict of interest.

Item 11. Code of Ethics, Participation or Interest in Fund Transactions and Personal Trading

We have established a written Code of Ethics as part of our overall compliance program pursuant to Rule 204A-1 under the Advisers Act for purposes of establishing the standards of business conduct and fostering a culture of honesty and accountability.

The Code of Ethics includes policies and procedures relating to personal securities trading by firm personnel and protection against the misuse of material nonpublic information. The Code of Ethics is designed to prevent, among other things, any improper conduct whenever any potential conflict of interest may exist with client portfolios. In addition, the Code of Ethics requires the firm

and/or all supervised persons (if any) of the firm to safeguard and prevent dissemination of non-public information, to refrain from engaging in self-interested transactions without prior approval, to maintain proper books and records, and to refrain from insider trading. The Code of Ethics also outlines the duties of care and loyalty that the firm and its supervised persons are required to follow with respect to clients, including our obligation to exercise a high degree of care, to seek best execution, to safeguard client assets, to act in the best interest of clients and to render impartial advice to clients.

Item 12. Brokerage Practices

Koin does not select or recommend broker-dealers for client transactions, nor does Koin execute transactions on clients' behalf.

Koin does not participate in soft dollar arrangements.

Koin does not have any arrangements to compensate any broker dealer for client referrals.

Item 13. Review of Accounts

Koin provides its clients with access to their account information via the App Platform. The custodians will send account statements directly to clients.

Koin monitors and reviews client accounts and makes suggestions on a periodic basis so that client portfolios can maintain the intended risk and investment objectives. Since Koin does not have discretionary authority over clients' assets, the App Platform will ask clients whether to adjust their accounts to maintain the intended risk and investment objectives based on Koin's recommendation and will only implement any adjustments to client portfolios with clients' permissions.

Item 14. Client Referrals and Other Compensation

Koin does not presently have or pay for third-party client referrals.

Item 15. Custody

Koin generally does not have custody over the assets of clients. The clients will receive account statements from their own brokers and should carefully review those statements.

Item 16. Investment Discretion

Koin does not have discretionary authority to manage securities accounts on behalf of clients.

Item 17. Voting Client Securities

Koin does not have the authority to vote client securities for clients, nor does it provide advice about particular proxy solicitations. Clients must vote proxies on securities held in their accounts directly based on information they receive from their custodians.

Item 18. Financial Information

Koin does not require or solicit prepayment of any advisory fees from clients. As a result, Koin is not required to provide a balance sheet for the most recent fiscal year. Koin is unaware of any financial condition that is reasonably likely to impair any ability to meet contractual commitments to clients. Koin has not been the subject of a bankruptcy petition during the past 10 years.